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July 29, 2005

Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
One South Station, 2nd Floor
Boston, MA 02110

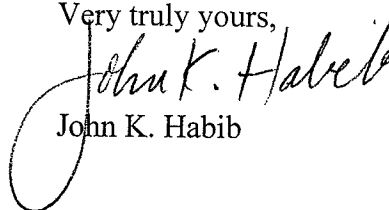
RE: D.T.E. 04-116- Investigation by the Department of Telecommunications and Energy On Its Own Motion Regarding the Service Quality Guidelines Established in Service Quality Standards for Electric Distribution Companies and Local Gas Distribution Companies, D.T.E. 99-84 (2001)

Dear Secretary Cottrell:

Please find attached the responses of Boston Edison Company, Cambridge Electric Light Company, Commonwealth Electric Company, d/b/a NSTAR Electric and NSTAR Gas Company (together with NSTAR Electric, "NSTAR") to the Department of Telecommunications and Energy's Third Set of Discovery to All Participants in the above-referenced proceeding.

Please contact me, Cheryl Kimball or Kerry Britland at NSTAR if you have any questions regarding the filing.

Very truly yours,



John K. Habib

Enclosure

cc: Service List
Jody Stiefel
Joseph Rogers, Assistant Attorney General

Information Request DTE-A 3-1

Please provide, for all gas and electric companies in the United States with a telephone answering performance measure, a description of the measure, the name of company, and the docket or other citation where the measure was adopted.

Response

Please see Attachment DTE-A 3-1 for information available to the company regarding telephone answering performance measures for electric and gas companies in 22 states, along with the names of the companies subject to the measures. The Company does not have information regarding the docket or other citation where the measures were adopted, nor can the Company confirm whether the list represents the totality of the telephone answering performance measure in effect for all electric companies in the United States.

Customer Contact Center Regulations by State

| State | Customer Contact Regulations | Electric Utilities Affected by Metrics |
|--|---|---|
| Missouri Public Service Commission | Although there are not set service levels for all utilities, Missouri does study its utilities on a case by case basis to determine quality of service. The PSC makes recommendations to utilities for their call handling depending on rate cases and mergers. For example, Aquila does have its own service levels developed by the utility and recommendations from the PSC. | Ameren UE, Kansas City Power & Light, Empire District Electric, Aquila, Atmos Energy, Laclede Gas, Missouri Gas Energy, others |
| New York Public Service Commission | Each utility has its own set of standards due to the difference from company to company. | National Fuel Gas, Consolidated Edison, Orange & Rockland Utilities, New York State Electric & Gas, Niagara Mohawk, KeySpan Energy, Rochester Gas & Electric, others |
| Pennsylvania Public Utility Commission | However, all utilities must report their abandonment rate, % of calls answered in 30 seconds and their busy-out rate. The Commission reports it will later set standards that these utilities must follow. | Citizens Electric Co., Duquesne Light Co., Metropolitan Edison Co., PECO Energy, Pennsylvania Electric Co., Pennsylvania Power Co., Pike County Light and Power, PPL Electric Utilities, UGI Utilities, Wellsboro Electric Co., West Penn Power Co. |
| Maryland Public Service Commission | Does not have a commission-mandated service level, but utilities set their own. | Baltimore Gas & Electric, Conectiv, others |
| Texas Public Utility Commission | "Maintains rules surrounding electric customer access. (1) Each electric service provider or aggregator shall ensure reasonable access to its service representatives to make inquiries and complaints, discuss charges on customers bills, terminate competitive service, and transact any other pertinent business. (2) Telephone access shall be toll-free and shall afford customers prompt answer times during normal business hours. (3) Each electric service provider shall provide a 24-hour automated telephone message instructing caller to report any service interruptions or electrical emergencies." | Central Power & Light Co., El Paso Electric Co., Entergy Gulf States Inc., Entergy Power Inc., Oncor Group, Reliant Energy, CenterPoint Energy, Sharyland Utilities LP, Southwestern Electric Power Co., Southwestern Public Service Co., Texas-New Mexico Power Co., TXU Energy, TXU SESCO Co., West Texas Utilities Co. |
| Arkansas Public Service Commission | Arkansas has had service levels for two years, and they only apply to 1 of the 3 gas companies and 2 of the 20 electric companies. Arkansas has a busy-out rate of less than 5% of callers. Abandonment rates must be reported. 80% of calls must be answered within 30 seconds. The state considers IVR answering the call. Average speed of answer—30 seconds or less. An automated system, the total number of calls where the customer expects to speak to an employee, 80% must be answered in 30 seconds of the customer electing to speak with an employee. Must offer an IVR emergency option in the beginning. | Empire District Electric Co., Entergy Arkansas, Oklahoma Gas & Electric Co., Southwestern Electric Power Co. |
| Colorado Public Utilities Commission | "If Xcel does not meet these standards, it is required to give customers credits on their utility bills. Xcel – 70% of all calls must be answered within 45 seconds. (This is defined as the amount of time that lapses between the time the customer opts to speak with a CSR and the time the call is answered by a CSR). | Xcel Energy |

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|---|--|--|
| Delaware Public Service Commission | Connectiv--Must answer 80% of its calls in 30 seconds or less. 95% of its calls must be answered, so the abandon rate can not exceed 5%. Average speed of answer should be 20 seconds or less. | Connectiv |
| Idaho Public Utilities Commission | For PacifiCorp due to its merger with ScottishPower---it must answer 80% of incoming calls in 20 seconds. | PacifiCorp |
| Illinois Commerce Commission | <p>"Section 410.45 Customer Call Centers</p> <p>a) Each entity shall maintain a customer call center where customers can reach a representative and receive current information. At least once every 6 months, each entity shall provide written information to customers explaining how to contact the call center. The average answer time for calls placed to the call center shall not exceed 60 seconds where a representative or automated system is ready to render assistance and/or accept information to process calls. The abandon rate for calls placed to the call center shall not exceed 10%. Each entity shall maintain records of the call center's telephone answer time performance and abandon call rate. These records shall be kept for a minimum of 2 years and shall be made available to Commission personnel upon request. In the event that answer times and/or abandon rates exceed the limits established above, the reporting entity may provide the Commission or its personnel with explanatory details. At a minimum, these records shall contain the following information in monthly increments:</p> <ol style="list-style-type: none"> 1) Total number of calls received; 2) Number of calls answered; 3) Average answer time; 4) Number of abandoned calls; and 5) Abandon call rate." | AmerenCIPS, AmerenUE, Central Illinois Light Co., Commonwealth Edison Co., Illinois Power Co., Indianapolis Power and Light Co., Interstate Power and Light Co., MidAmerican Energy Co., Mount Carmel Public Utility Co., South Beloit Water Gas and Electric Co., |
| Kansas Corporation Commission | For Kansas Gas Service following a merger. The Commission did not want to see the utility's performance decline. The Commission is currently debating on call center service levels for electric utilities. | Kansas Gas Service |
| Maine Public Utilities Commission | 80% of calls must be answered in 30 seconds---Central Maine Power must meet this even in outage situations. | Central Maine Power, Bangor Hydro Electric |
| Massachusetts Department of Telecomm & Energy | Utilities are required to gather data and report statistics on the handling of calls. A 20-second performance standard is to be adopted by all companies. Call handling times for emergency and non-emergency calls must also be reported separately. The telephone service factors is defined as the time between customer's service selection and ends when the call is responded to by the service area selected by customer. If a customer does not make a selection, the time of response is measured from the completion of a company's recorded menu options until the time a CSR answers. For not meeting performance, penalties can be assessed. | NSTAR Electric (Boston Edison Co., Cambridge Electric Light Co., Commonwealth Electric Co.,) Fitchburg Gas & Electric Light Co., Holyoke Water Power Co., Massachusetts Electric Co., Nantucket Electric Co., Narragansett Electric Co., New England Power Co. |
| Michigan Public Service Commission | <p>"a) An electric utility shall have an average customer call answer time of less than 90 seconds.</p> <p>(b) An electric utility shall have a call blockage factor of 5% or less."</p> | Alpena Power Co., Consumers Energy Co., Detroit Edison Co., Edison Sault Electric Co., Indiana Michigan Power Co., Northern States Power Co., Northern States Power Co. of Wisconsin, Upper Peninsula Power Co., We Energies, Wisconsin Public Service Co. |
| North Carolina Utilities Commission | For North Carolina Natural Gas and Public Service Company of North Carolina, 80% of calls must be answered in 20 seconds or less. Also, these utilities are responsible for reporting their response time to emergency calls. | North Carolina Natural Gas and Public Service Company of North Carolina |

Customer Contact Center Regulations by State

| State | Customer Contact Regulations | Electric Utilities Affected by Metrics |
|--|--|---|
| Ohio Public Utilities Commission | The Commission asks that its utilities have an average answer time of 60 seconds. | Cincinnati Gas & Electric Co., Cleveland Electric Illuminating Co., Columbus Southern Power Co., Dayton Power & Light Co., Monogahela Power Co., Ohio Edison Co., Ohio Power Co., Toledo Edison Co. |
| Oklahoma Corporation Commission | Electric utilities must have an average speed of answer time of 45 seconds or less. The utilities report their answer times annually, and if they are not meeting the requirement, action is taken to improve service. | Empire District Electric Co., Oklahoma Gas and Electric Co., Public Service Co. of Oklahoma, Southwestern Public Service Co. |
| Utah Public Service Commission | For Utah Power and Light due to the merger of PacifiCorp and Scottish Power----80% of calls must be answered in 20 seconds. | Utah Power and Light |
| Vermont Public Service Board | "8.331 Hours. Each company shall maintain telephone lines for the receipt of trouble calls, service complaints, and requests for repairs or adjustment. Unless otherwise ordered by the Board, the lines shall be staffed by a customer service representative during the company's normal business hours. This staffing provision shall not apply to any system which employs less than four full time employees. At other times an answering service or answering machine must be provided to receive such calls, provided that messages are checked at least every four hours between 7 a.m. and 11 p.m. 8.332 Toll-free. Customer calls to customer service representatives must be by way of local, toll-free, or other number which causes no more expense to the customer than would a local call. The company shall list such telephone number on all statements sent to customers. 8.333 Response. Any such call must be connected to a customer service representative within two minutes during normal business hours, except in case of a system emergency." | Central Vermont Public Service Corp., Citizens Communications Co., Green Mountain Power Corp., New England Power Co., Public Service Co. of New Hampshire, Rochester Electric Light & Power, Vermont Marble Power |
| Washington Utilities and Transportation Commission | "PacifiCorp's Business Centers must answer 80% its calls within 20 seconds. PSE (1) Customer access center answering performance: 75% of the calls should be answered by a live representative within 30 seconds of the request to speak with a live operator. Penalty for not attaining it: \$36,000. (2) Customer access Center transaction satisfaction: 90% satisfied (ranked 5 or higher on a 7-point scale). Penalty for not attaining it: \$57,000." | Puget Sound Energy, PacifiCorp. |
| Wisconsin Public Service Commission | Requires that utilities have an ASA of 90 seconds. Also, emergency calls must have the highest priority and callers must be offered the option to speak with a live agent. | Consolidated Water Power Co., Dahlberg Light & Power Co., Madison Gas and Electric Co., North Central Power Co., Northern States Power Co., Northern States Power Co. of Wisconsin, Northern Wisconsin Electric Co., Pioneer Power & Light Co., South Beloit Water Gas & Electric Co., Superior Water Light & Power Co., We Energies, Westfield Milling & Electric Co., Wisconsin Power and Light Co., Wisconsin Public Service Corp. |
| Minnesota Public Utilities Commission | On an annual basis, utilities shall answer 80 percent of calls made to the business office during regular business hours within 20 seconds. "Answer" means that an operator or representative is ready to render assistance or accept the information to handle the call. Acknowledging that the customer is waiting on the line and will be served in turn is not an answer. If the utility uses an automated call-processing system, the 20-second period begins when the customer has selected a menu option to speak to a live operator or representative. Utilities using automatic call-processing systems must provide that option, and they must not delay connecting the caller to a live operator or representative for purposes of playing promotional announcements. Calls regarding service interruptions: On an annual basis, utilities shall answer 80 percent of calls directed to the telephone number for reporting service interruptions within 20 seconds. | ALLETE Inc., Interstate Power and Light Co., Minnesota Power Inc., Northern States Power Co., Otter Tail Corp., Otter Tail Power Co., Xcel Energy |

Information Request DTE-A 3-2

Please discuss the feasibility of adopting a telephone answering performance measure described below:

- (a) Eighty percent of telephone calls answered within 30 seconds, as defined by a customer receiving and selecting between the option to receive automated information (e.g., account balance) and speaking with a customer service representative;
- (b) Eighty percent of telephone calls answered within 40 seconds, with the same parameters as in (a);
- (c) Eighty percent of telephone calls answered within 60 seconds, with the same parameters as in (a);
- (d) Seventy-five percent of telephone calls answered within 30 seconds, with the same parameters as in (a);
- (e) Seventy-five percent of telephone calls answered within 40 seconds, with the same parameters as in (a);
- (f) Seventy-five percent of telephone calls answered within 60 seconds, with the same parameters as in (a);
- (g) Seventy-five percent of telephone calls answered within 20 seconds, with the same parameters as in (a);

Response

The Company's answering system can measure response times in any of the increments referenced above. However, the Company continues to recommend that the Department not establish a standardized telephone answering benchmark applicable to all electric and gas companies. Strictly from a results-oriented perspective, moving from company-specific telephone answering benchmarks to standardized benchmarks may result in the service quality of companies with performance superior to the standardized benchmarks degrading over time to the level of the standardized benchmark, or conversely, may result in the establishment of an unreasonable benchmark given the utility's specific operational abilities and constraints. This is inconsistent with the Department's purpose in establishing service quality performance measures, i.e., to ensure that service quality does not degrade as companies move to incentive-based regulatory structures. Please also refer to the Company's response to information request DTE-A-1-2.